

IN THE UNITED STATES DISTRICT COURT  
FOR THE WESTERN DISTRICT OF TENNESSEE  
WESTERN DIVISION AT MEMPHIS

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THE ESTATE OF JIM K. SCOTT, and )  
REGINA SCOTT, Individually, )

Plaintiffs, )

vs. )

NO. \_\_\_\_\_

JURY DEMAND

NATIONAL UNION FIRE INSURANCE )  
COMPANY OF LOUISIANA d/b/a )  
NATIONAL UNION FIRE INSURANCE )  
COMPANY; NATIONAL UNION FIRE )  
INSURANCE COMPANY OF )  
PITTSBURGH d/b/a NATIONAL UNION )  
FIRE INSURANCE COMPANY; and, )  
CHASE HOME FINANCE, LLC, )

Defendants. )

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COMPLAINT FOR BREACH OF CONTRACT

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COME NOW the Plaintiffs, the Estate of Jim K. Scott and Regina Scott, Individually, and hereby file this their Complaint for breach of contract against National Union Fire Insurance Company of Louisiana d/b/a National Union Fire Insurance Company, National Union Fire Insurance Company of Pittsburgh d/b/a National Union Fire Insurance Company, and, Chase Home Finance, LLC, for damages resulting from the wrongful denial of Defendants to pay proceeds under a mortgage insurance accidental death or disability policy, and hereby state as follows:

I. JURISDICTION AND PARTIES

1. This is an action for breach of contract to recover damages for the wrongful denial of payment of proceeds under a mortgage insurance accidental death or disability contract

entered into between Defendants and the decedent, Jim K. Scott, prior to Mr. Scott's death on November 27, 2009.

2. The Estate of Jim K. Scott has been opened in the Probate Court of Lauderdale County, Tennessee and is being administered by Regina Scott and Debra DeV Vaughn as co-administrators. A copy of the Probate Court of Lauderdale County, Tennessee Letters Testamentary regarding same is incorporated by reference herein and attached hereto as Exhibit A.

3. Plaintiff Regina Scott, Individually, is a resident of Ripley, Lauderdale County, Tennessee and was the wife of Jim K. Scott at the time of his death.

4. National Union Fire Insurance Company of Louisiana d/b/a National Union Fire Insurance Company is a Louisiana Corporation in the business of issuing, among other products, accidental death and disability mortgage insurance and does business in the state of Tennessee. National Union Fire Insurance Company of Louisiana d/b/a National Union Fire Insurance Company maintains a principal place of business at 4150 S. Sherwood Forest Blvd., Baton Rouge, Louisiana, 70816. The Registered Agent for service of process in the state of Tennessee for National Union Fire Insurance Company of Louisiana d/b/a National Union Fire Insurance Company is the Tennessee Commissioner of Commerce and Insurance, The Department of Commerce and Insurance, 500 James Robertson Parkway, Davy Crockett Tower, Nashville, Tennessee 37243-0565, pursuant to Section 56-2-103 of the Tennessee Code Annotated. See Tenn. Code Ann. § 56-2-103. This entity's designed Tennessee agent for service of process is Third Party Administrator, c/o Corp. Service Co., 2908 Poston Avenue, Nashville, Tennessee 37203

5. National Union Fire Insurance Company of Pittsburgh d/b/a National Union Fire Insurance Company is a Pennsylvania corporation in the business of issuing, among other products, accidental death and disability mortgage insurance and does business in the state of Tennessee. National Union Fire Insurance Company of Pittsburgh d/b/a National Union Fire Insurance Company maintains a principal place of business at 70 Pine Street, New York, New York 10270. The Registered Agent for service of process in the state of Tennessee for National Union Fire Insurance Company of Pittsburgh d/b/a National Union Fire Insurance Company is the Tennessee Commissioner of Commerce and Insurance, The Department of Commerce and Insurance, 500 James Robertson Parkway, Davy Crockett Tower, Nashville, Tennessee 37243-0565, pursuant to Section 56-2-103 of the Tennessee Code Annotated. See Tenn. Code Ann. § 56-2-103. This entity's designed Tennessee agent for service of process is Third Party Administrator, c/o Corp. Service Co., 2908 Poston Avenue, Nashville, Tennessee 37203.

6. Chase Home Finance, LLC is a Delaware Limited Liability Company in the business of providing mortgage and home equity loans and has a business address at 3415 Vision Drive, Columbus, Ohio 43219. The Registered Agent for service of process in the state of Tennessee for Chase Home Finance, LLC is the Tennessee Commissioner of Commerce and Insurance, The Department of Commerce and Insurance, 500 James Robertson Parkway, Davy Crockett Tower, Nashville, Tennessee 37243-0565, pursuant to Section 56-2-103 of the Tennessee Code Annotated. See Tenn. Code Ann. § 56-2-103. Chase Home Finance, LLC has a registered agent in the State of Delaware as The Corporate Trust Co., Corporation Trust Center, 1209 Orange Street, Wilmington, DE 19801.

7. This Court has jurisdiction over this action pursuant to Title 28, United States Code, Section 1332.

8. At all relevant times, the events that form the basis of this cause of action occurred in Ripley, Lauderdale County, Tennessee.

## II. FACTS

9. Prior to his death, Jim K. Scott was a resident of Ripley, Lauderdale County, Tennessee residing at 1901 Bald Knob Road, Ripley, Tennessee.

10. At the time of his death, Jim K. Scott was married to Plaintiff Regina Scott.

11. At some time prior to his death, Jim K. Scott financed the property located at 1901 Bald Knob Road, Ripley, Tennessee 38063 through Chase Home Finance, LLC pursuant to Loan No. 1960377356.

12. In conjunction with the financing through Chase Home Finance, LLC of Loan No. 1960377356, Jim K. Scott purchased accidental death and disability mortgage insurance through National Union Fire Insurance Company of Louisiana d/b/a National Union Fire Insurance Company and/or National Union Fire Insurance Company of Pittsburgh d/b/a National Union Fire Insurance Company (hereinafter collectively "National Union"). This optional product purchased through National Union was to pay the balance due on Loan No. 1960377356 in the event of Mr. Scott's accidental death or disability.

13. As of May 6, 2010, the principal balance due on the mortgage of the referenced property pursuant to Loan No. 1960377356 was \$146,425.25. A copy of the mortgage loan statement sent to the Estate of Jim K. Scott by Chase Home Finance, LLC on or about May 8, 2010 is incorporated by reference herein and attached hereto as Exhibit B.

14. During the evening of November 27, 2009, Jim K. Scott accidentally shot himself in the head which resulted in his instantaneous death. At the time of this incident, Jim K. Scott was forty-six (46) years old.

15. Following the death of Jim K. Scott on November 27, 2009, demand was made upon National Union for payment under the provisions of the accidental death and disability mortgage insurance policy issued to Jim K. Scott. This demand was denied.

16. In making this claim for benefits, Plaintiff Regina Scott avers that the death of Jim K. Scott was accidental and falls within the provisions of the National Union accidental death and disability mortgage insurance policy and, therefore, the balance due on Chase Home Finance Loan No. 1960377356 should have been paid as of the date of Mr. Scott's death.

17. As a result of the denial of National Union to pay the accidental death and disability payment under the terms of the policy, the Estate of Jim K. Scott and Regina Scott, as the surviving spouse, have been damaged in the amount of approximately \$158,700.00, the balance due on the mortgage loan as of May 8, 2010, being \$146,425.25. See Exhibit B hereto.

### III. CLAIMS FOR RELIEF

#### A. Breach of Contract

18. Plaintiffs adopt and incorporate by reference herein the allegations of paragraphs 1 through 17 above.

19. At the time of his death, Jim K. Scott had accidental death and disability mortgage insurance through National Union which was to pay the balance due of his home mortgage with Chase Home Finance, LLC in the event of his accidental death or disability.

20. The November 27, 2009 death of Jim K. Scott was accidental, triggering the provisions of the accidental death and disability mortgage insurance policy entered into between Jim K. Scott and National Union prior to Mr. Scott's death.

21. The denial of National Union and/or Chase Home Finance, LLC to pay the principal balance due on the Scott's home mortgage, Loan No. 1960377356, represents a breach of a contract.

22. As a result of the breach of contract by National Union and/or Chase Home Finance, LLC to pay benefits under the accidental death and disability mortgage insurance provision, the Estate of Jim K. Scott has been damaged in the approximate amount of \$158,000.00, representing the principal balance due on Loan No. 1960377356 at the time of Jim K. Scott's death.

23. In the alternative, as the surviving spouse of Jim K. Scott, the Plaintiff Regina Scott, Individually, has been damaged in the approximate amount of \$158,000.00, representing the principal balance due on Loan No. 1960377356 at the time of Jim K. Scott's death.

**B. Attorneys' Fees, Expenses and Costs**

24. Plaintiffs adopt and incorporate by reference herein the allegations of paragraph 1 through 23 above.

25. As a result of the wrongful denial of Defendants and/or omissions of the Defendants' agents, servants and/or employees, Plaintiffs retained the below signed law firm to pursue the remedy for which they are entitled.

26. Plaintiffs Regina Scott, Individually, and the Estate of Jim K. Scott are entitled to recover their reasonable attorneys' fees and costs as a result of the Defendants' breach of contract.

WHEREFORE, PREMISES CONSIDERED, Plaintiffs the Estate of Jim K. Scott and Regina Scott, Individually, pray:

1. That proper process issue against the Defendants and that they be required to answer this Complaint;
2. That the Estate of Jim K. Scott as co-administered by Regina Scott and Debra DeVaughn be awarded a judgment against the Defendants in the amount of approximately \$158,000.00, representing the principal balance due on Chase Home Finance Loan No. 1960377356 as of November 27, 2009;
3. In the alternative, that Plaintiff Regina Scott, Individually, be awarded a judgment against the Defendants in the amount of approximately \$158,000.00, representing the principal balance due on Chase Home Finance Loan No. 1960377356 as of November 27, 2009;
4. That a jury hear and determine the issues raised in this cause;
5. That the Plaintiffs be awarded a judgment for an additional amount against the Defendants for the Plaintiffs' reasonable attorneys' fees, expenses and costs; and
6. That the Plaintiffs be awarded such other, general and equitable relief to which they may be entitled.

Respectfully submitted,

BURCH, PORTER & JOHNSON, PLLC

/s/ Melissa A. Maravich  
Melissa A. Maravich (# 013876)  
Taylor A. Cates (# 20006)  
130 North Court Avenue  
Memphis, TN 38103  
(901) 524-5000

Attorneys for the Plaintiffs  
The Estate of Jim K. Scott, and Regina Scott,  
Individually.

**PROBATE COURT OF LAUDERDALE COUNTY, TENNESSEE**  
**LETTERS TESTAMENTARY**

**STATE OF TENNESSEE**  
**LAUDERDALE COUNTY**

To Regina Scott and Debra Devaughn

It appearing to the Probate Court now in session, that

Jim K. Scott

has died, leaving no will, and the Court being satisfied as to your claim to administration, and you having qualified as directed by law, and the Court having ordered that Letters Testamentary be issued to: Regina Scott and Debra Devaughn.

These Are, Therefore, to authorize and empower you to take into your possession and control all the goods, chattels, claims and papers of said estate, and return a true and perfect inventory thereof to our next Probate Court; to collect and pay all debts, and to do and transact all the duties in relation to said estate which lawfully devolve on you as Co-Administrators, and after having settled up said estate, to deliver the residue thereof to those who are by law entitled.

Witness, Linda Summar, Clerk of said Court, at office, this 21 day of January, 2010.

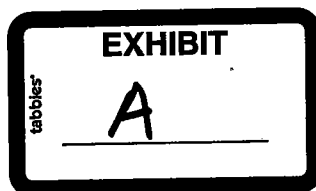
Linda Summar, Clerk  
S/Linda Summar

**STATE OF TENNESSEE**  
**LAUDERDALE COUNTY**

I, Linda Summar, Clerk of the Probate Court of said County, do hereby certify that the foregoing is a full, true and perfect copy of the Letters Testamentary issued to

Regina Scott and Debra Devaughn as Co-Administrators  
of the estate of Jim K. Scott deceased, as same appears in  
record now on file in my office, and that same still remain in full force and effect.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seal of said Court, at office, in Ripley, Tennessee, this 21 day of January, 2010.



Linda Summar, Clerk  
Linda Summar





Customer Care Phone: 1-800-848-9136  
 Please send payments only to: PO BOX 9001871  
 LOUISVILLE, KY 40290-1871  
 Hearing Impaired (TDD): 1-800-582-0542



41043 MSD Z 12610 C BRE  
 ESTATE OF JIM K SCOTT  
 78 BARRY WHITE LN  
 RIPLEY TN 38063-8022

# MORTGAGE LOAN STATEMENT

Loan Number: 1960377356  
 Statement Date: 05/06/10  
 Payment Due Date: 08/01/10  
 Property Address: 1801 Bald Knob Rd  
 Ripley, TN 38063

**Loan Information:**  
**Balances:**  
 Principal Balance \$146,425.25  
 Escrow Balance \$2,455.54  
**Payment Factors:**  
 Interest Rate 5.75000%  
 Principal & Interest \$1,710.65  
 Escrow Payment \$452.58  
 Optional Products \$15.95  
 Past Due Payment \$0.00  
 Unpaid Late Charges \$0.00  
 Miscellaneous Fees \$30.00  
**Total Payment \$2,209.18**  
**Year-to-Date:**  
 Interest \$3,604.25  
 Taxes \$0.00  
 Principal \$5,983.71



Visit our website at chase.com to learn about offers for Chase mortgage customers.

## Activity Since Your Last Statement

TRANSACTION DESCRIPTION	TRANSACTION DATE	TOTAL RECEIVED	PRINCIPAL	INTEREST	ESCROW	OPTIONAL PRODUCTS	MISCELLANEOUS OR FEES
PAYMENT	05/06/10	\$2,179.18	\$999.29	\$711.36	\$452.58	\$15.95	
PRINCIPAL CURTAILMENT	05/06/10	\$1,032.86	\$1,032.86				

## Important Messages About Your Account

You have purchased the following Optional Products.

Please call the number next to the product name if you have any questions about the product.

Optional Product Provider	Product	Telephone Number	Monthly Charge
NAT'L UNION FIRE INS CO	AD&D	800-316-5838	\$15.95

Failure to pay an Optional Product Monthly Charge will not cause your account to be in default.

Please designate how you want to apply any additional funds. When sent with this coupon, undesignated funds first pay outstanding late charges and fees, then principal, provided your loan is current. Undesignated funds sent without this coupon may be placed in suspense rather than applied to your loan as principal until Chase determines how you want to apply those funds. Once paid, additional funds cannot be returned.

If you receive or expect to receive an insurance settlement check for damages to your home, please access [www.mylowdraft.com](http://www.mylowdraft.com) for information on the claim process. When prompted, enter the PIN Number CH001 to access the Web site. You may also call the Loss Draft Department at 1-866-742-1461 from 8 a.m. to 8 p.m., Eastern Time, with any additional questions.

You can always call on Chase. One visit to our website or a quick phone call can get you the answers you want and the help you need. Simply go to [www.chasehomefinance.com](http://www.chasehomefinance.com) or call 1-800-848-9136 and you can do everything from confirming receipt of your last payment to obtaining year-end tax and interest information, and much more -- all 24 hours a day, seven days a week. If you would like to speak to a Chase Customer Care Professional directly, they are available to assist you Monday through Friday, from 8:00 a.m. to 9:00 p.m. and Saturday, 8:00 a.m. to 5:00 p.m. Eastern Time.

Please detach and return the bottom portion of this statement with your payment using the enclosed envelope

00019603773562 313000 00217918 00222918 00220918 00006

Please designate how you want to apply any additional funds. When sent with this coupon, undesignated funds first pay outstanding late charges and fees, then principal, provided your loan is current. Undesignated funds sent without this coupon may be placed in suspense rather than applied to your loan as principal until Chase determines how you want to apply those funds. Once paid, additional funds cannot be returned.

☐ Check box if address change is documented on the back.

\*Scheduled payments received 15 or more days after the Scheduled Due Date are subject to a late charge of \$50.00.

CHASE HOME FINANCE  
 PO BOX 9001871  
 LOUISVILLE KY 40290-1871

Loan Number: 1960377356  
 ESTATE OF JIM K SCOTT

Mortgage Payment	\$2,179.18	\$
Payments Past Due	\$0.00	\$
Unpaid Late Charges	\$0.00	\$
If applicable, add \$50.00*		
Fees	\$30.00	\$
<b>Total Amount Due</b>	<b>\$2,209.18</b>	
Additional Principal	\$	
Additional Escrow (Tax and Insurance)	\$	
<b>Total Amount Enclosed</b>	<b>\$</b>	

Check box for making multiple full payments.

5000050261: 0001960377356\*

EXHIBIT

B